



General Assembly

February Session, 2004

Raised Bill No. 5431

LCO No. 1542

01542_____GAE

Referred to Committee on Government Administration and Elections

Introduced by:
(GAE)

AN ACT REFORMING CAMPAIGN FINANCE LAWS CONCERNING CONTRIBUTIONS FROM POLITICAL COMMITTEES, LOBBYISTS AND LARGE STATE CONTRACTORS AND THE REPORTING AND LIMITATION ON PURCHASES OF ADVERTISING SPACE IN AD BOOKS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 9-333a of the general statutes, as amended by
2 section 10 of public act 03-241, is repealed and the following is
3 substituted in lieu thereof (*Effective July 1, 2004*):

4 As used in this chapter:

5 (1) "Committee" means a party committee, political committee or a
6 candidate committee organized, as the case may be, for a single
7 primary, election or referendum, or for ongoing political activities, to
8 aid or promote the success or defeat of any political party, any one or
9 more candidates for public office or the position of town committee
10 member or any referendum question.

11 (2) "Party committee" means a state central committee, [or] a town

12 committee or a legislative caucus committee. "Party committee" does
13 not mean a party-affiliated or district, ward or borough committee
14 which receives all of its funds from the state central committee of its
15 party or from a single town committee with the same party affiliation.
16 Any such committee so funded shall be construed to be a part of its
17 state central or town committee for purposes of this chapter.

18 (3) "Legislative caucus committee" means a single committee
19 designated by the majority of the members of a political party who are
20 also state representatives or state senators, which designation is
21 certified by the chairperson of the committee on the registration filed
22 with the Secretary of the State. The committee shall be identified by the
23 house of the General Assembly in which such legislators serve and the
24 political party to which they belong.

25 ~~[(3)]~~ (4) "Political committee" means (A) a committee organized by a
26 business entity or organization, (B) persons other than individuals, or
27 two or more individuals organized or acting jointly conducting their
28 activities in or outside the state, (C) a committee established by a
29 candidate to determine the particular public office to which he shall
30 seek nomination or election, and referred to in this chapter as an
31 exploratory committee, or (D) a committee established by or on behalf
32 of a slate of candidates in a primary for the office of justice of the
33 peace, but does not mean a candidate committee or a party committee.

34 ~~[(4)]~~ (5) "Candidate committee" means any committee designated by
35 a single candidate, or established with the consent, authorization or
36 cooperation of a candidate, for the purpose of a single primary or
37 election and to aid or promote his candidacy alone for a particular
38 public office or the position of town committee member, but does not
39 mean a political committee or a party committee.

40 ~~[(5)]~~ (6) "National committee" means the organization which
41 according to the bylaws of a political party is responsible for the day-
42 to-day operation of the party at the national level.

43 [(6)] (7) "Organization" means all labor organizations, (A) as defined
44 in the Labor-Management Reporting and Disclosure Act of 1959, as
45 from time to time amended, or (B) as defined in subdivision (9) of
46 section 31-101, employee organizations, as defined in subsection (d) of
47 section 5-270, and subdivision (6) of section 7-467, bargaining
48 representative organizations for teachers, any local, state or national
49 organization, to which a labor organization pays membership or per
50 capita fees, based upon its affiliation or membership, and trade or
51 professional associations which receive their funds exclusively from
52 membership dues, whether organized in or outside of this state, but
53 does not mean a candidate committee, party committee or a political
54 committee.

55 [(7)] (8) "Business entity" means the following, whether organized in
56 or outside of this state: Stock corporations, banks, insurance
57 companies, business associations, bankers associations, insurance
58 associations, trade or professional associations which receive funds
59 from membership dues and other sources, partnerships, joint ventures,
60 private foundations, as defined in Section 509 of the Internal Revenue
61 Code of 1986, or any subsequent corresponding internal revenue code
62 of the United States, as from time to time amended; trusts or estates;
63 corporations organized under sections 38a-175 to 38a-192, inclusive,
64 38a-199 to 38a-209, inclusive, and 38a-214 to 38a-225, inclusive, and
65 chapters 594 to 597, inclusive; cooperatives, and any other association,
66 organization or entity which is engaged in the operation of a business
67 or profit-making activity; but does not include professional service
68 corporations organized under chapter 594a and owned by a single
69 individual, nonstock corporations which are not engaged in business
70 or profit-making activity, organizations, as defined in subdivision (6)
71 of this section, candidate committees, party committees and political
72 committees as defined in this section. For purposes of this chapter,
73 corporations which are component members of a controlled group of
74 corporations, as those terms are defined in Section 1563 of the Internal
75 Revenue Code of 1986, or any subsequent corresponding internal
76 revenue code of the United States, as from time to time amended, shall

77 be deemed to be one corporation.

78 [(8)] (9) "Individual" means a human being, a sole proprietorship, or
79 a professional service corporation organized under chapter 594a and
80 owned by a single human being.

81 [(9)] (10) "Person" means an individual, committee, firm,
82 partnership, organization, association, syndicate, company trust,
83 corporation, limited liability company or any other legal entity of any
84 kind but does not mean the state or any political or administrative
85 subdivision of the state.

86 [(10)] (11) "Candidate" means an individual who seeks nomination
87 for election or election to public office whether or not such individual
88 is elected, and for the purposes of this chapter an individual shall be
89 deemed to seek nomination for election or election if he has (A) been
90 endorsed by a party or become eligible for a position on the ballot at an
91 election or primary, or (B) solicited or received contributions, made
92 expenditures or given his consent to any other person to solicit or
93 receive contributions or make expenditures with the intent to bring
94 about his nomination for election or election to any such office.
95 "Candidate" also means a slate of candidates which is to appear on the
96 ballot in a primary for the office of justice of the peace. For the
97 purposes of sections 9-333 to 9-333l, inclusive, as amended, and section
98 9-333w, "candidate" also means an individual who is a candidate in a
99 primary for town committee members.

100 [(11)] (12) "Campaign treasurer" means the individual appointed by
101 a candidate or by the chairman of a party committee or a political
102 committee to receive and disburse funds on behalf of the candidate or
103 committee.

104 [(12)] (13) "Deputy campaign treasurer" means the individual
105 appointed by the candidate or by the chairman of a committee to serve
106 in the capacity of the campaign treasurer if the campaign treasurer is
107 unable to perform his duties.

108 [(13)] (14) "Solicitor" means an individual appointed by a campaign
109 treasurer of a committee to receive, but not to disburse, funds on
110 behalf of the committee.

111 [(14)] (15) "Referendum question" means a question to be voted
112 upon at any election or referendum, including a proposed
113 constitutional amendment.

114 [(15)] (16) "Lobbyist" means a lobbyist, as defined in subsection (l) of
115 section 1-91.

116 [(16)] (17) "Business with which he is associated" means any
117 business in which the contributor is a director, officer, owner, limited
118 or general partner or holder of stock constituting five per cent or more
119 of the total outstanding stock of any class. Officer refers only to the
120 president, executive or senior vice-president or treasurer of such
121 business.

122 [(17)] (18) "Independent expenditure" means an expenditure that is
123 made without the consent, knowing participation, or consultation of, a
124 candidate or agent of the candidate committee. "Independent
125 expenditure" does not include an expenditure (A) if there is any
126 coordination or direction with respect to the expenditure between the
127 candidate or the treasurer, deputy treasurer or chairman of his
128 candidate committee and the person making the expenditure, or (B) if,
129 during the same election cycle, the individual making the expenditure
130 serves or has served as the treasurer, deputy treasurer or chairman of
131 the candidate committee.

132 [(18)] (19) "Federal account" means a depository account that is
133 subject to the disclosure and contribution limits provided under the
134 Federal Election Campaign Act of 1971, as amended from time to time.

135 [(19)] (20) "Public funds" means funds belonging to, or under the
136 control of, the state or a political subdivision of the state.

137 Sec. 2. Subsection (b) of section 9-333b of the general statutes is

138 repealed and the following is substituted in lieu thereof (*Effective July*
139 *1, 2004*):

140 (b) As used in this chapter, "contribution" does not mean:

141 (1) A loan of money made in the ordinary course of business by a
142 national or state bank;

143 (2) Any communication made by a corporation, organization or
144 association to its members, owners, stockholders, executive or
145 administrative personnel, or their families;

146 (3) Nonpartisan voter registration and get-out-the-vote campaigns
147 by any corporation, organization or association aimed at its members,
148 owners, stockholders, executive or administrative personnel, or their
149 families;

150 (4) Uncompensated services provided by individuals volunteering
151 their time;

152 (5) The use of real or personal property, and the cost of invitations,
153 food or beverages, voluntarily provided by an individual to a
154 candidate or on behalf of a state central or town committee, in
155 rendering voluntary personal services for candidate or party-related
156 activities at the individual's residence, to the extent that the cumulative
157 value of the invitations, food or beverages provided by the individual
158 on behalf of any single candidate does not exceed two hundred dollars
159 with respect to any single election, and on behalf of all state central
160 and town committees does not exceed four hundred dollars in any
161 calendar year;

162 (6) The sale of food or beverage for use in a candidate's campaign or
163 for use by a state central or town committee at a discount, if the charge
164 is not less than the cost to the vendor, to the extent that the cumulative
165 value of the discount given to or on behalf of any single candidate does
166 not exceed two hundred dollars with respect to any single election,
167 and on behalf of all state central and town committees does not exceed

168 four hundred dollars in a calendar year;

169 (7) Any unreimbursed payment for travel expenses made by an
170 individual who on the individual's own behalf volunteers the
171 individual's personal services to any single candidate to the extent the
172 cumulative value does not exceed two hundred dollars with respect to
173 any single election, and on behalf of all state central or town
174 committees does not exceed four hundred dollars in a calendar year;

175 (8) The payment, by a party committee, political committee or an
176 individual, of the costs of preparation, display, mailing or other
177 distribution incurred by the committee or individual with respect to
178 any printed slate card, sample ballot or other printed list containing
179 the names of three or more candidates;

180 (9) The donation of any item of personal property by an individual
181 to a committee for a fund-raising affair, including a tag sale or auction,
182 or the purchase by an individual of any such item at such an affair, to
183 the extent that the cumulative value donated or purchased does not
184 exceed fifty dollars;

185 [(10) The purchase of advertising space which clearly identifies the
186 purchaser, in a program for a fund-raising affair, provided the
187 cumulative purchase of such space does not exceed two hundred fifty
188 dollars from any single candidate or the candidate's committee with
189 respect to any single election campaign or two hundred fifty dollars
190 from any single party committee or other political committee in any
191 calendar year if the purchaser is a business entity or fifty dollars for
192 purchases by any other person;]

193 [(11)] (10) The payment of money by a candidate to the candidate's
194 candidate committee;

195 [(12)] (11) The donation of goods or services by a business entity to a
196 committee for a fund-raising affair, including a tag sale or auction, to
197 the extent that the cumulative value donated does not exceed one

198 hundred dollars;

199 [(13)] (12) The advance of a security deposit by an individual to a
200 telephone company, as defined in section 16-1, as amended, for
201 telecommunications service for a committee, provided the security
202 deposit is refunded to the individual;

203 [(14)] (13) The provision of facilities, equipment, technical and
204 managerial support, and broadcast time by a community antenna
205 television company, as defined in section 16-1, as amended, for
206 community access programming pursuant to section 16-331a, unless
207 (A) the major purpose of providing such facilities, equipment, support
208 and time is to influence the nomination or election of a candidate, or
209 (B) such facilities, equipment, support and time are provided on behalf
210 of a political party; or

211 [(15)] (14) The sale of food or beverage by a town committee to an
212 individual at a town fair, county fair or similar mass gathering held
213 within the state, to the extent that the cumulative payment made by
214 any one individual for such items does not exceed fifty dollars.

215 Sec. 3. Subdivision (1) of subsection (g) of section 9-333i of the
216 general statutes, as amended by section 61 of public act 03-241, is
217 repealed and the following is substituted in lieu thereof (*Effective July*
218 *1, 2004*):

219 (g) (1) As used in this subsection, (A) "the lawful purposes of his
220 committee" means: (i) For a candidate committee or exploratory
221 committee, the promoting of the nomination or election of the
222 candidate who established the committee, except that after a political
223 party nominates candidates for election to the offices of Governor and
224 Lieutenant Governor, whose names shall be so placed on the ballot in
225 the election that an elector will cast a single vote for both candidates,
226 as prescribed in section 9-181, a candidate committee established by
227 either such candidate may also promote the election of the other such
228 candidate; (ii) for a political committee, the promoting of the success or

229 defeat of candidates for nomination and election to public office or
230 position subject to the requirements of this chapter, or the success or
231 defeat of referendum questions, provided a political committee formed
232 for a single referendum question shall not promote the success or
233 defeat of any candidate; [, and provided further a political committee
234 designated by the majority of the members of a political party who are
235 also members of the state House of Representatives or the state Senate
236 may expend funds to defray costs of its members for conducting
237 legislative or constituency-related business which are not reimbursed
238 or paid by the state;] and (iii) for a party committee, the promoting of
239 the party, the candidates of the party and continuing operating costs of
240 the party, provided a legislative caucus committee may expend funds
241 to defray costs of its members for conducting legislative or
242 constituency-related business which are not reimbursed or paid by the
243 state, and (B) "immediate family" means a spouse or dependent child
244 of a candidate who resides in the candidate's household.

245 Sec. 4. Subsection (c) of section 9-333j of the general statutes, as
246 amended by section 4 of public act 03-223 and section 60 of public act
247 03-241, is repealed and the following is substituted in lieu thereof
248 (*Effective July 1, 2004*):

249 (c) (1) Each statement filed under subsection (a), (e) or (f) of this
250 section shall include, but not be limited to: (A) An itemized accounting
251 of each contribution, if any, including the full name and complete
252 address of each contributor and the amount of the contribution; (B) in
253 the case of anonymous contributions, the total amount received and
254 the denomination of the bills; (C) an itemized accounting of each
255 expenditure, if any, including the full name and complete address of
256 each payee, the amount and the purpose of the expenditure, the
257 candidate supported or opposed by the expenditure, whether the
258 expenditure is made independently of the candidate supported or is an
259 in-kind contribution to the candidate, and a statement of the balance
260 on hand or deficit, as the case may be; (D) an itemized accounting of
261 each expense incurred but not paid; (E) the name and address of any

262 person who is the guarantor of a loan to, or the cosigner of a note with,
 263 the candidate on whose behalf the committee was formed, or the
 264 campaign treasurer in the case of a party committee or a political
 265 committee or who has advanced a security deposit to a telephone
 266 company, as defined in section 16-1, as amended, for
 267 telecommunications service for a committee; [(F) for each business
 268 entity or person purchasing advertising space in a program for a fund-
 269 raising affair, the name and address of the business entity or the name
 270 and address of the person, and the amount and aggregate amounts of
 271 such purchases; (G)] (F) for each individual who contributes in excess
 272 of one hundred dollars but not more than one thousand dollars, in the
 273 aggregate, to the extent known, the principal occupation of such
 274 individual and the name of the individual's employer, if any; [(H)] (G)
 275 for each individual who contributes in excess of one thousand dollars
 276 in the aggregate, the principal occupation of such individual, the name
 277 of the individual's employer, if any, and a statement indicating
 278 whether the individual or a business with which he is associated has a
 279 contract with the state which is valued at more than five thousand
 280 dollars; [(I)] (H) for each itemized contribution made by a lobbyist, the
 281 spouse of a lobbyist or any dependent child of a lobbyist who resides
 282 in the lobbyist's household, a statement to that effect; and [(J)] (I) for
 283 each individual who contributes in excess of four hundred dollars in
 284 the aggregate to or for the benefit of any candidate's campaign for
 285 nomination at a primary or election to the office of chief executive
 286 officer of a town, city or borough, a statement indicating whether the
 287 individual or a business with which he is associated has a contract
 288 with said municipality that is valued at more than five thousand
 289 dollars. Each campaign treasurer shall include in such statement (i) an
 290 itemized accounting of the receipts and expenditures relative to any
 291 testimonial affair held under the provisions of section 9-333k or any
 292 other fund-raising affair, which is referred to in subsection (b) of
 293 section 9-333b, as amended by this act, and (ii) the date, location and a
 294 description of the affair.

295 (2) Each contributor described in subparagraph [(G), (H), (I) or (J)]

296 (F), (G), (H) or (I) of subdivision (1) of this subsection shall, at the time
 297 the contributor makes such a contribution, provide the information
 298 which the campaign treasurer is required to include under said
 299 subparagraph in the statement filed under subsection (a), (e) or (f) of
 300 this section. Notwithstanding any provision of subdivision (2) of
 301 section 9-7b, as amended, any contributor described in subparagraph
 302 [(G)] (F) of subdivision (1) of this subsection who does not provide
 303 such information at the time the contributor makes such a contribution
 304 and any treasurer shall not be subject to the provisions of subdivision
 305 (2) of section 9-7b, as amended. If a campaign treasurer receives a
 306 contribution from an individual which separately, or in the aggregate,
 307 is in excess of one thousand dollars and the contributor has not
 308 provided the information required by [said] subparagraph [(H)] (G) of
 309 subdivision (1) of this subsection or if a campaign treasurer receives a
 310 contribution from an individual to or for the benefit of any candidate's
 311 campaign for nomination at a primary or election to the office of chief
 312 executive officer of a town, city or borough, which separately, or in the
 313 aggregate, is in excess of four hundred dollars and the contributor has
 314 not provided the information required by [said] subparagraph [(J)] (I)
 315 of subdivision (1) of this subsection, the campaign treasurer: (i) Within
 316 three business days after receiving the contribution, shall send a
 317 request for such information to the contributor by certified mail, return
 318 receipt requested; (ii) shall not deposit the contribution until the
 319 campaign treasurer obtains such information from the contributor,
 320 notwithstanding the provisions of section 9-333h, as amended; and (iii)
 321 shall return the contribution to the contributor if the contributor does
 322 not provide the required information within fourteen days after the
 323 treasurer's written request or the end of the reporting period in which
 324 the contribution was received, whichever is later. Any failure of a
 325 contributor to provide the information which the campaign treasurer is
 326 required to include under [said] subparagraph [(G) or (I)] (F) or (H) of
 327 subdivision (1) of this subsection, which results in noncompliance by
 328 the campaign treasurer with the provisions of [said] subparagraph [(G)
 329 or (I)] (F) or (H) of subdivision (1) of this subsection, shall be a

330 complete defense to any action against the campaign treasurer for
331 failure to disclose such information.

332 (3) Contributions from a single individual to a campaign treasurer
333 in the aggregate totaling thirty dollars or less need not be individually
334 identified in the statement, but a sum representing the total amount of
335 all such contributions made by all such individuals during the period
336 to be covered by such statement shall be a separate entry, identified
337 only by the words "total contributions from small contributors".

338 (4) Statements filed in accordance with this section shall remain
339 public records of the state for five years from the date such statements
340 are filed.

341 Sec. 5. Subsection (a) of section 9-333k of the general statutes is
342 repealed and the following is substituted in lieu thereof (*Effective July*
343 *1, 2004*):

344 (a) The chairman of each party committee shall designate a
345 campaign treasurer and may designate a deputy campaign treasurer,
346 or in the case of a state central committee, not more than two deputy
347 campaign treasurers. The campaign treasurer and any deputy
348 campaign treasurers so designated shall sign a statement accepting the
349 designation, which shall be filed with the proper authority with the
350 statement of designation required under subdivision (1) of subsection
351 (a) of section 9-333d. No state central committee or town committee
352 shall establish a committee other than a single party committee for
353 purposes of this chapter. The members of the same political party in a
354 house of the General Assembly may establish only one legislative
355 caucus committee. A party committee or a political committee
356 organized for ongoing political activities shall form no other political
357 committees, except that two or more such committees may join to form
358 a political committee for the purpose of a single fund-raising event.

359 Sec. 6. Subsection (g) of section 9-333l of the general statutes is
360 repealed and the following is substituted in lieu thereof (*Effective July*

361 1, 2004):

362 (g) As used in this subsection, "immediate family" means any
 363 spouse or dependent child who resides in a lobbyist's household. Each
 364 lobbyist who is an individual and, in conjunction with members of his
 365 immediate family, makes contributions to or purchases from
 366 committees exceeding one thousand dollars in the aggregate during
 367 the twelve-month period beginning July 1, 1993, or July first in any
 368 year thereafter, shall file a statement, sworn under penalty of false
 369 statement, with the Secretary of the State in accordance with the
 370 provisions of section 9-333e, as amended, on the second Thursday in
 371 July following the end of such twelve-month period. The statement
 372 shall include: (1) The name of each committee to which the lobbyist or
 373 a member of his immediate family has made a contribution and the
 374 amount and date of each such contribution; and (2) the name of each
 375 committee from which the lobbyist or member of his immediate family
 376 has purchased any item of property [or advertising space in a
 377 program] in connection with a fund-raising event which is not
 378 considered a contribution under subsection (b) of section 9-333b, as
 379 amended by this act, and the amount, date and description of each
 380 such purchase. Each lobbyist who is an individual and who, in
 381 conjunction with members of his immediate family, does not make
 382 contributions to or purchases from committees exceeding one
 383 thousand dollars in the aggregate during any such twelve-month
 384 period shall file a statement, sworn under penalty of false statement,
 385 with the Secretary of the State in accordance with the provisions of
 386 section 9-333e, as amended, on the second Thursday in July, so
 387 indicating.

388 Sec. 7. Section 9-333n of the general statutes, as amended by section
 389 14 of public act 03-241, is repealed and the following is substituted in
 390 lieu thereof (*Effective July 1, 2004*):

391 (a) No individual shall make a contribution or contributions in any
 392 one calendar year in excess of five thousand dollars to the state central

393 committee of any party, or for the benefit of such committee pursuant
394 to its authorization or request; or one thousand dollars to a town
395 committee of any political party, or for the benefit of such committee
396 pursuant to its authorization or request; or two thousand dollars to a
397 legislative caucus committee, or for the benefit of such committee
398 pursuant to its authorization or request; or one thousand dollars to a
399 political committee other than (1) a political committee formed solely
400 to aid or promote the success or defeat of a referendum question, (2) an
401 exploratory committee, (3) a political committee established by an
402 organization, or for the benefit of such committee pursuant to its
403 authorization or request, or (4) a political committee formed by a slate
404 of candidates in a primary for the office of justice of the peace of the
405 same town.

406 (b) No individual shall make a contribution to a political committee
407 established by an organization which receives its funds from the
408 organization's treasury. With respect to a political committee
409 established by an organization which has complied with the provisions
410 of subsection (b) or (c) of section 9-333p, and has elected to receive
411 contributions, no individual other than a member of the organization
412 may make contributions to the committee, in which case the individual
413 may contribute not more than five hundred dollars in any one calendar
414 year to such committee or for the benefit of such committee pursuant
415 to its authorization or request.

416 (c) In no event may any individual make contributions to a
417 candidate committee and a political committee formed solely to
418 support one candidate other than an exploratory committee or for the
419 benefit of a candidate committee and a political committee formed
420 solely to support one candidate pursuant to the authorization or
421 request of any such committee, in an amount which in the aggregate is
422 in excess of the maximum amount which may be contributed to the
423 candidate.

424 (d) Any individual may make unlimited contributions or

425 expenditures to aid or promote the success or defeat of any
426 referendum question, provided any individual who makes an
427 expenditure or expenditures in excess of one thousand dollars to
428 promote the success or defeat of any referendum question shall file
429 statements according to the same schedule and in the same manner as
430 is required of a campaign treasurer of a political committee under
431 section 9-333j, as amended.

432 (e) Any individual acting alone may, independent of any candidate,
433 agent of the candidate, or committee, make unlimited expenditures to
434 promote the success or defeat of any candidate's campaign for election,
435 or nomination at a primary, to any office or position, provided any
436 individual who makes an independent expenditure or expenditures in
437 excess of one thousand dollars to promote the success or defeat of any
438 candidate's campaign for election, or nomination at a primary, to any
439 such office or position shall file statements according to the same
440 schedule and in the same manner as is required of a campaign
441 treasurer of a candidate committee under section 9-333j, as amended.

442 (f) (1) As used in this subsection and subsection (f) of section 9-333j,
443 as amended, (A) "investment services" means investment legal
444 services, investment banking services, investment advisory services,
445 underwriting services, financial advisory services or brokerage firm
446 services, and (B) "principal of an investment services firm" means (i) an
447 individual who is a director of or has an ownership interest in an
448 investment services firm to which the State Treasurer pays
449 compensation, expenses or fees or issues a contract, except for an
450 individual who owns less than five per cent of the shares of an
451 investment services firm which is a publicly traded corporation, (ii) an
452 individual who is employed by such an investment services firm as
453 president, treasurer, or executive or senior vice president, (iii) an
454 employee of such an investment services firm who has managerial or
455 discretionary responsibilities with respect to any investment services
456 provided to the State Treasurer, (iv) the spouse or a dependent child of
457 an individual described in this subparagraph, or (v) a political

458 committee established by or on behalf of an individual described in
459 this subparagraph.

460 (2) No principal of an investment services firm shall make a
461 contribution to, or solicit contributions on behalf of, an exploratory
462 committee or candidate committee established by a candidate for
463 nomination or election to the office of State Treasurer during the term
464 of office of the State Treasurer who pays compensation, expenses or
465 fees or issues a contract to such firm.

466 (3) Neither the State Treasurer, the Deputy State Treasurer, any
467 unclassified employee of the office of the State Treasurer acting on
468 behalf of the State Treasurer or Deputy State Treasurer, any candidate
469 for the office of State Treasurer, any member of the Investment
470 Advisory Council established under section 3-13b nor any agent of any
471 such candidate may solicit contributions on behalf of an exploratory
472 committee or candidate committee established by a candidate for
473 nomination or election to any public office, a political committee or a
474 party committee, from a principal of an investment services firm,
475 except that the prohibition in this subsection shall not apply to an
476 incumbent State Treasurer who establishes an exploratory committee
477 or candidate committee for any public office other than State
478 Treasurer.

479 (4) No member of the Investment Advisory Council appointed
480 under section 3-13b shall make a contribution to, or solicit
481 contributions on behalf of, an exploratory committee or candidate
482 committee established by a candidate for nomination or election to the
483 office of State Treasurer.

484 (5) The provisions of this subsection shall not restrict an individual
485 from establishing an exploratory or candidate committee for the
486 individual's own campaign or from soliciting contributions for such
487 committees from persons not prohibited from making contributions
488 under this subsection.

489 (6) The State Treasurer shall keep a list of investment services firms
490 described in this subsection. Said list shall be subject to disclosure
491 under the Freedom of Information Act and shall be available to the
492 State Elections Enforcement Commission. Each investment services
493 contract issued by the State Treasurer shall include the provisions of
494 subdivisions (2) to (5), inclusive, of this subsection as conditions of the
495 contract. Each such investment services firm shall maintain a list of the
496 principals of the investment services firm and shall provide such list to
497 the State Elections Enforcement Commission, upon request of the
498 commission.

499 (g) (1) As used in this subsection, "state officer" means the Governor,
500 Lieutenant Governor, Secretary of the State, Comptroller or Attorney
501 General.

502 (2) If a state officer awards a contract or contracts which, separately
503 or in the aggregate, have a value of fifty thousand dollars or more to a
504 business, (A) no individual who is an owner, partner, director or
505 officer of said business, or a manager of said business who has
506 substantial policy or decision-making authority concerning the
507 administration of the contract shall make a contribution to, or for the
508 benefit of, said state officer's campaign for nomination at a primary or
509 re-election to the same office or election to any other public office or to
510 an exploratory committee formed by said state officer, and (B) said
511 state officer and the officer's committee or agent shall not solicit
512 contributions, on behalf of the candidate or exploratory committee
513 established by said state officer or the candidate or exploratory
514 committee established by any other candidate for nomination or
515 election to any other public office or on behalf of any political
516 committee or party committee, from (i) any individual who is an
517 owner, officer, director, partner or such a manager of said business, (ii)
518 the spouse of any such individual or a dependent child of any such
519 individual who resides in the individual's household, (iii) a political
520 committee established by said business, or (iv) any individual who is
521 an owner, officer, director or partner of a subcontractor of said

522 business or a manager of said subcontractor who has substantial policy
523 or decision-making authority concerning the administration of the
524 subcontract.

525 (3) Each state officer shall keep a list of (A) businesses to which the
526 state officer has awarded a contract or contracts of fifty thousand
527 dollars or more, and (B) all subcontractors under said contracts. Said
528 list shall be subject to disclosure under the Freedom of Information Act
529 and shall be available to the State Elections Enforcement Commission.
530 Each contract issued by a state officer shall include the provisions of
531 subparagraph (A) of subdivision (2) of this subsection as a condition of
532 the contract. Each business to which a state officer has awarded a
533 contract or contracts of fifty thousand dollars or more and each
534 subcontractor under said contract shall maintain a list of such business'
535 or subcontractor's owners, partners, directors, officers and managers
536 with substantial policy or decision-making authority related to the
537 administration of such contracts and shall provide upon request, such
538 list to the State Elections Enforcement Commission, upon request of
539 the commission.

540 (4) For purposes of this subsection, (A) a contract awarded by a
541 department head in the executive branch of state government who is
542 appointed by the Governor shall be deemed to have been awarded by
543 the Governor, and (B) a contract awarded by a board, commission,
544 council or other multi-member authority, for which a majority of the
545 members are appointed by a single state officer, shall be deemed to
546 have been awarded by said state officer.

547 (h) No lobbyist shall make a contribution or contributions to, or for
548 the benefit of, any candidate's campaign for nomination at a primary
549 or election in excess of one hundred dollars. No lobbyist shall make a
550 contribution or contributions in any one calendar year in excess of five
551 hundred dollars to a state central committee, in excess of two hundred
552 fifty dollars to a town committee and in excess of two hundred fifty
553 dollars to a legislative caucus committee.

554 Sec. 8. Section 9-333o of the general statutes is repealed and the
555 following is substituted in lieu thereof (*Effective July 1, 2004*):

556 (a) No business entity shall make any contributions or expenditures
557 to, or for the benefit of, any candidate's campaign for election to any
558 public office or position subject to this chapter or for nomination at a
559 primary for any such office or position, or to promote the defeat of any
560 candidate for any such office or position, or to promote the success or
561 defeat of any political party, except as provided in subsection (b) of
562 this section.

563 (b) A business entity may make reasonable and necessary transfers
564 or disbursements to or for the benefit of a political committee
565 established by such business entity, for the administration of, or
566 solicitation of contributions to, such political committee. Nonmonetary
567 contributions by a business entity which are incidental in nature and
568 are directly attributable to the administration of such political
569 committee shall be exempt from the reporting requirements of this
570 chapter.

571 (c) The provisions of this section shall not preclude a business entity
572 from making contributions or expenditures to promote the success or
573 defeat of a referendum question.

574 (d) A political committee organized by a business entity shall not
575 make a contribution or contributions to or for the benefit of any
576 candidate's campaign for nomination at a primary or any candidate's
577 campaign for election. [to the office of: (1) Governor, in excess of five
578 thousand dollars; (2) Lieutenant Governor, Secretary of the State,
579 Treasurer, Comptroller or Attorney General, in excess of three
580 thousand dollars; (3) state senator, probate judge or chief executive
581 officer of a town, city or borough, in excess of one thousand dollars; (4)
582 state representative, in excess of five hundred dollars; or (5) any other
583 office of a municipality not included in subdivision (3) of this
584 subsection, in excess of two hundred fifty dollars; or an exploratory
585 committee, in excess of two hundred fifty dollars. The limits imposed

586 by this subsection shall apply separately to primaries and elections and
587 contributions by any such committee to candidates designated in this
588 subsection shall not exceed one hundred thousand dollars in the
589 aggregate for any single election and primary preliminary thereto.
590 Contributions to such committees shall also be subject to the
591 provisions of section 9-333t in the case of committees formed for
592 ongoing political activity or section 9-333u in the case of committees
593 formed for a single election or primary.]

594 (e) A political committee organized by a business entity may make
595 unlimited contributions to, or for the benefit of, another political
596 committee organized by a business entity or to a party committee. No
597 political committee organized by a business entity shall make a
598 contribution to an exploratory committee. [in excess of two hundred
599 fifty dollars.] No such political committee shall make a contribution or
600 contributions in excess of two thousand dollars to any other kind of
601 political committee, in any one calendar year if organized for ongoing
602 political activities, or if formed for a single primary, election or
603 referendum, with respect to such primary, election or referendum.

604 (f) As used in this subsection, "investment services" means
605 investment legal services, investment banking services, investment
606 advisory services, underwriting services, financial advisory services or
607 brokerage firm services. No political committee established by a firm
608 which provides investment services and to which the State Treasurer
609 pays compensation, expenses or fees or issues a contract shall make a
610 contribution to, or solicit contributions on behalf of, an exploratory
611 committee or candidate committee established by a candidate for
612 nomination or election to the office of State Treasurer during the term
613 of office of the State Treasurer who does business with such firm.

614 (g) During the thirty days before an election, no political committee
615 organized by a business entity shall make any expenditure for a
616 communication that refers to a clearly identified candidate or supports
617 or opposes a candidate's campaign for election.

618 Sec. 9. Section 9-333q of the general statutes is repealed and the
619 following is substituted in lieu thereof (*Effective July 1, 2004*):

620 (a) No political committee established by an organization shall
621 make a contribution or contributions to, or for the benefit of, any
622 candidate's campaign for nomination at a primary or for election. [to
623 the office of: (1) Governor, in excess of two thousand five hundred
624 dollars; (2) Lieutenant Governor, Secretary of the State, Treasurer,
625 Comptroller or Attorney General, in excess of one thousand five
626 hundred dollars; (3) chief executive officer of a town, city or borough,
627 in excess of one thousand dollars; (4) state senator or probate judge, in
628 excess of five hundred dollars; or (5) state representative or any other
629 office of a municipality not previously included in this subsection, in
630 excess of two hundred fifty dollars.]

631 (b) No such committee shall make a contribution or contributions to,
632 or for the benefit of, an exploratory committee. [, in excess of two
633 hundred fifty dollars.] Any such committee may make unlimited
634 contributions to a political committee formed solely to aid or promote
635 the success or defeat of a referendum question.

636 [(c) The limits imposed by subsection (a) of this section shall apply
637 separately to primaries and elections and no such committee shall
638 make contributions to the candidates designated in this section which
639 in the aggregate exceed fifty thousand dollars for any single election
640 and primary preliminary thereto.]

641 [(d)] (c) No political committee established by an organization shall
642 make contributions in any one calendar year to, or for the benefit of, (1)
643 the state central committee of a political party, in excess of five
644 thousand dollars; (2) a town committee, in excess of one thousand
645 dollars; or (3) any political committee, other than an exploratory
646 committee or a committee formed solely to aid or promote the success
647 or defeat of a referendum question, in excess of two thousand dollars.

648 [(e)] (d) No political committee established by an organization shall

649 make contributions to the committees designated in subsection [(d)] (c)
650 of this section, which in the aggregate exceed fifteen thousand dollars
651 in any one calendar year. Contributions to a political committee
652 established by an organization shall also be subject to the provisions of
653 section 9-333t, as amended by this act, in the case of a committee
654 formed for ongoing political activity or section 9-333u, as amended by
655 this act, in the case of a committee formed for a single election or
656 primary.

657 (e) During the thirty days before an election, no political committee
658 organized by an organization shall make any expenditure for a
659 communication that refers to a clearly identified candidate or supports
660 or opposes a candidate's campaign for election.

661 Sec. 10. Section 9-333t of the general statutes is repealed and the
662 following is substituted in lieu thereof (*Effective July 1, 2004*):

663 (a) A political committee organized for ongoing political activities
664 may make unlimited contributions to, or for the benefit of, a party
665 committee; any national committee of a political party; [a candidate
666 committee;] or a committee of a candidate for federal or out-of-state
667 office. No such political committee shall make a contribution or
668 contributions to a candidate committee. No such political committee
669 shall make a contribution or contributions in excess of two thousand
670 dollars to another political committee in any calendar year except that
671 a political committee organized by a business entity may make
672 unlimited contributions to, or for the benefit of, another political
673 committee organized by a business entity. No political committee
674 organized for ongoing political activities shall make a contribution [in
675 excess of two hundred fifty dollars] to an exploratory committee. If
676 such an ongoing committee is established by an organization or a
677 business entity, its contributions shall be subject to the limits imposed
678 by sections 9-333o to 9-333q, inclusive, as amended by this act. A
679 political committee organized for ongoing political activities may
680 make contributions to a charitable organization which is a tax-exempt

681 organization under Section 501(c)(3) of the Internal Revenue Code, as
682 from time to time amended, or make memorial contributions.

683 (b) A political committee organized for ongoing political activities
684 may receive contributions from the federal account of a national
685 committee of a political party, but may not receive contributions from
686 any other account of a national committee of a political party or from a
687 committee of a candidate for federal or out-of-state office.

688 (c) During the thirty days before an election, no political committee
689 organized for ongoing political activities shall make any expenditure
690 for a communication that refers to a clearly identified candidate or
691 supports or opposes a candidate's campaign for election.

692 Sec. 11. Section 9-333u of the general statutes is repealed and the
693 following is substituted in lieu thereof (*Effective July 1, 2004*):

694 (a) A political committee established for a single primary or election
695 may make unlimited contributions to, or for the benefit of, a party
696 committee, [or a candidate committee,] but no such political committee
697 shall make contributions to a national committee, or a committee of a
698 candidate for federal or out-of-state office. No such political committee
699 shall make a contribution or contributions to a candidate committee. If
700 such a political committee is established by an organization or a
701 business entity, its contributions shall also be subject to the limitations
702 imposed by sections 9-333o to 9-333q, inclusive, as amended by this
703 act. No political committee formed for a single election or primary
704 shall, with respect to such election or primary make a contribution or
705 contributions in excess of two thousand dollars to another political
706 committee, provided no such political committee shall make a
707 contribution [in excess of two hundred fifty dollars] to an exploratory
708 committee.

709 (b) A political committee established for a single primary or election
710 shall not receive contributions from a committee of a candidate for
711 federal or out-of-state office or from a national committee.

712 (c) During the thirty days before an election, no political committee
713 established for a single primary or election shall make any expenditure
714 for a communication that refers to a clearly identified candidate or
715 supports or opposes a candidate's campaign for election.

This act shall take effect as follows:	
Section 1	<i>July 1, 2004</i>
Sec. 2	<i>July 1, 2004</i>
Sec. 3	<i>July 1, 2004</i>
Sec. 4	<i>July 1, 2004</i>
Sec. 5	<i>July 1, 2004</i>
Sec. 6	<i>July 1, 2004</i>
Sec. 7	<i>July 1, 2004</i>
Sec. 8	<i>July 1, 2004</i>
Sec. 9	<i>July 1, 2004</i>
Sec. 10	<i>July 1, 2004</i>
Sec. 11	<i>July 1, 2004</i>

Statement of Purpose:

To (1) prohibit campaign contributions from political committees, (2) allow each caucus in the General Assembly to establish a single legislative caucus committee which shall be regulated as a party committee, (3) require advertising purchases in ad books to be treated as contributions, (4) prohibit contributions by officials and family members of large state contractors to candidates for state office, (5) limit contributions by lobbyists, and (6) prohibit political committees from making expenditures for communications identifying or advocating for or against candidates in the last thirty days of campaigns.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]